

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2248 – SB 2465

March 6, 2018

**SUMMARY OF ORIGINAL BILL:** Creates the *Fresh Start Act* which prohibits any licensing authority from denying or refusing to renew an application for occupational or professional license, certificate or registration for a prior criminal conviction that does not directly relate to the applicable occupation, profession, business or trade.

Requires a licensing authority to notify an applicant in writing prior to denial for licensure and provide an applicant at least 14 business days to appear in person before the authority.

Allows an applicant to request a declaration from a licensing authority as to whether or not they will be denied a license due to a criminal conviction prior to submitting an application.

Authorizes an applicant or licensee who received a notice of denial based on a criminal conviction to file a petition within 14 days in Davidson County chancery court.

Requires licensing authority to demonstrate by a preponderance of the evidence that the applicant or licensee's prior conviction is directly related to the applicable occupation, profession, business or trade.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$3,300/One-Time/Division of Regulatory Boards  
\$100,500/Recurring/ Division of Regulatory Boards

Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Division of Regulatory Boards experienced a deficit of \$105,632 in FY15-16, a surplus of \$2,735,422 in FY16-17, and had a cumulative reserve balance of \$26,350,035 on June 30, 2017.

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

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**SUMMARY OF AMENDMENT (014257):** Deletes and rewrites all language after the enacting clause such that the only substantive changes are: (1) to exempt the licensure of pain management clinics from the provisions of this legislation; (2) to require a licensing authority to state the earliest date upon which the applicant is eligible to reapply for a license, certificate, or registration when notifying an applicant in writing prior to denial for licensure; (3) removes provision requiring a licensing authority to provide an applicant at least 14 business days to appear in person before the authority prior to denial of licensure; and (4) authorizes an applicant or licensee who received a notice of denial based on a criminal conviction to file a petition within 30 days in Davidson County chancery court as opposed to 14 days in the original bill.

## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

### **NOT SIGNIFICANT**

Assumptions for the bill as amended:

- No fiscal impact on the operations of the Department of Commerce and Insurance (DCI).
- Based on information provided by the Administrative Office of the Courts, any increase in the number of hearing petitions filed would be absorbed within the existing judicial resources.
- Based on information provided by the Department of Health (DOH), the provisions of this legislation can be implemented utilizing existing staff and department resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Division of Regulatory Boards experienced a deficit of \$105,632 in FY15-16, a surplus of \$2,735,422 in FY16-17, and had a cumulative reserve balance of \$26,350,035 on June 30, 2017.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- This legislation is estimated to have no significant impact on commerce or jobs in this state.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee" followed by "RNC" in smaller letters.

Krista M. Lee, Executive Director

/vlh